

## **FISCAL NOTE**

### **SB 1556 - HB 2135**

March 23, 2007

**SUMMARY OF BILL:** Requires gasoline that is pre-mixed with 2-cycle engine oil and sold in containers of 1 gallon or smaller to be taxable under gasoline tax law instead of under sales and use tax law.

### **ESTIMATED FISCAL IMPACT:**

**Decrease State Revenues - \$5,800**

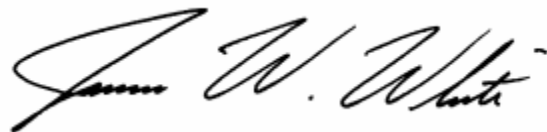
**Decrease Local Govt. Revenues - \$3,500**

Assumptions:

- 100,000 quart containers sold (equivalent to 25,000 gallons).
- According to the Department of Revenue, changing the tax structure for premixed fuel will reduce state and local government revenues by approximately 23 cents per gallon and 14 cents per gallon respectively.
- The decrease to state revenues is estimated to be \$5,800 per year (25,000 gallons X \$0.23 = \$5,750).
- The decrease to local government revenues is estimated to be \$3,500 per year (25,000 gallons X \$0.14 = \$3,500).

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



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James W. White, Executive Director